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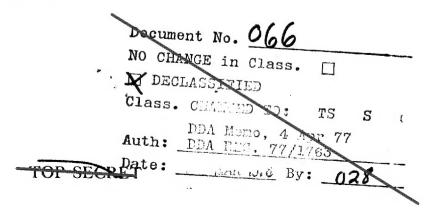
GENERAL

1. US-Dutch response to Indonesian Premier's letter--The Department of State has advised US Representative Cochran in Batavia that the 13 December letter from Republican Premier Hatia offers adequate and practical grounds for the resumption of negotiations, either within or outside the Good Offices Committee. The Department has authorized Cochran to telegraph the contents of the letter to the UN Security Council. US Embassy The Hague reports meanwhile that Netherlands Foreign Office officials consider the letter to

be "a major concession" by the Republic.

Belgium supports US position on Indonesia -- Premier Spaak has told US Embassy Brussels that he approves the US position on Indonesia and feels that the Dutch are being "obstinate" on this question. Spaak views the pressure of Dutch military leaders for military action in the area as "very dangerous," and fears that such action, unless it were immediately and sweepingly successful, would create a situation in Indonesia similar to that in Greece. Spaak proposes that a Washington meeting be held of top-level officials of the governments constituting the GOC (US, Belgium, and Australia). Spaak considers that such an "ad hoc GOC" meeting could produce results by summoning the Republican Premier and the Dutch Foreign Minister and making strong statements to both.

(CIA Comment: CIA considers that this endorsement of the Hatta letter by the US, combined with Belgian support of the US position, will probably persuade the Dutch to resume negotiations with the Republic, thereby postponing the possibility of Dutch "police action" and the necessity for Security Council action.)



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